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RUEHLA/AMCONSUL BARCELONA PRIORITY 0949 RUEHZL/EUROPEAN POLITICAL COLLECTIVE

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SUBJECT: MAS/CONVERGENCE WIN CATALAN REGIONAL ELECTIONS; PARTIES RACE

TO FORM NEXT REGIONAL GOVERNMENT

REF: BARCELONA 162

BARCELONA 00000166 001.2 OF 002

 $\P1$ . (SBU) SUMMARY: Artur Mas led the Convergence and Union (CiU) coalition to victory November 1 in regional autonomous elections, but without enough seats to form the next government The Socialist Party of Catalunya (PSC) came in a distant second followed by the Catalan Leftist Party (ERC), the Popular Party of Catalunya (PP), and a coalition of progressive parties. The race is now on to see if Mas can successfully form the next government, or if the Socialist-led three party (Tripartite) coalition can rally back into power. Nationally, the results of these elections will be interpreted as confirmation of the Catalan desire for greater autonomy and as pressure on the Zapatero government to fully implement the new Catalan autonomy statute (Estatut). Locally, this will be seen as a cold shower for the Socialist (the big losers), but not the clear message against the Tripartite Mas wanted. Since PM Zapatero is known to have good relations with CiU heavyweights, a CiU-PSC is far from out of the question. The picture will remain fuzzy as the two main parties stake their claim for control of the Parliament. End Summary.

Winners and Losers~

- 12. (SBU) Artur Mas and the Convergence and Union (CiU) coalition were the clear winners, and the Jose Mantilla-led Socialist Party of Catalunya (PSC) the clear losers according to the results of the November 1 Catalunya regional elections. With all the votes counted, the 135-seat Parliament will look this way:
- Convergence and Union (CiU) 31.5 percent/48 seats
- Socialist Party of Catalunya (PSC) 26.8 percent/37seats
- Catalan Leftist Party (ERC) 14.1 percent/21 seats
- Popular Party (PP) 10.6 percent/14 seats
- Green Initiative for Catalunya-United Left and Alternative (ICV-EUiA) 9.6 percent/12 seats
- Citizens Party (C) 3 percent/3 seats

The CiU gained two more seats since the 2003 elections while the PSC dropped five seats; the ERC lost two seats; and as for the small parties, the PP lost one seat, ICV-EUiA gained three seats, and the upstart, anti-nationalist Citizens party gained three seats. The Citizens' victory took pundits by surprise. The result reveals the dissatisfaction of a small, but growing, sector of Catalans whose roots lie outside the region, and thus, put the Spanish language on the same level as Catalan.

- 13. (SBU) As expected, the results answered some questions, but left several important ones unanswered for the time being. The most critical one at the moment is who will be elected president of the region after the new Parliament convenes on the last week of November or the first week of December. Mas finds himself in the same situation he was in after the 2003 vote where he won the most seats, but was nevertheless outmaneuvered for control of the Parliament and the presidency by the PSC. In this election, however, Mas is in a better position not only because he won handily, but because Montilla's loss was so decisive (Note: The Socialists are now 11 seats back, in 2003 they were only four seats behind. End Note.) Nevertheless, his chances of cobbling together the 68 votes necessary to form a government remain unclear. The PP, CiU's most obvious ally, did not receive enough votes for the two parties to form a government together (never mind that Mas declared prior to the elections that his party would not form a pact with the PP).
- 14. (SBU) The PSC, for its part, has much soul searching to do. On the one hand, the people of Catalunya fairly clearly expressed displeasure with how it has governed over the past three years (with a disjointed coalition and too many diverging interests). Moreover, former Trade and Industry Minister Montilla's campaign never really caught fire here, despite PM Zapatero's five visits to the region to support his campaign. Even Montilla's ability to lead the PSC in the Parliament might be called into question. On the other hand, the PSC's natural allies and former coalition partners, the ERC and the ICV-EUiA, both did well enough to keep their hopes alive and possibly return all three to power. Again, how well Montilla can negotiate a deal, perhaps even a deal where one of the other partners gains the presidency, will be key.

## Timelines

15. (U) The final results should be certified in about two weeks - only an estimated 300,00 absentee ballots remain to be counted. The new Parliament will likely be seated either November 21 or November 26 after the board of the Parliament is

BARCELONA 00000166 002.2 OF 002

elected. Voting for the next President of the Generalitat will begin on the day the Parliament is seated. The outgoing President of the Parliament will propose a candidate to succeed him. There is a maximum ten day period for the candidate selected by the President to confirm support for his candidacy. The candidate to the presidency will then present an outline of his program to the Parliament. If the candidate wins a majority of the votes in Parliament he is elected President. If he does not win that vote he is presented again forty-eight hours later, and only needs a plurality to be elected. The President will then present his cabinet members. We expect to have a new government in place by December 1 if negotiations and general agreement are reached.

16. (SBU) Comment: Now comes the hard part for all concerned. Mas, whose hard nosed pre-election tactics made him appear strong, failed to win the outright majority he sought. He has now backed himself into a corner having alienated those who might have joined him in a coalition. How he gets out of that corner will be interesting to see. So far, Montilla has taken a wait and see approach, and is clearly not ruling out a return to a Tripartite government, which he hopes he can run better than the last one. The other parties, particularly the ERC, will see what they are offered for their services. There are also rumors that PM Zapatero's influence might be in play before all is said and done - he is said to have very good relations with both Mas and the CiU's man in Madrid Antonio Duran Lleda. If that is the case, a CiU-PSC could square this circle quite nicely. End Comment.